STATEMENT ON STATE PROPERTY TAX RATE

January 30, 1967

Some of the news interpretations of my budget message to the Maryland General Assembly last Friday have created a great deal of confusion which I feel compelled to clarify. There were prominently displayed headlines that I was urging an increase in the State property tax.

Compounding the public misunderstanding has been a statement by the Comptroller over the weekend challenging information put out by his own office.

First, I would like to make it emphatically clear that I have not proposed any increase in the State property tax. The amount of this levy is mandated by law each year and is not determined by the Governor. The rate is dependent solely on the amount of debt service required during the fiscal year for bonds that were issued by previous administrations.

Secondly, I have emphasized repeatedly — during the campaign and since taking office — that a major goal of this administration will be to relieve, rather than increase, the tax burden on property owners. That is one of the main reasons for the fiscal reform program now being developed.

The reference to the State property tax rate in the budget* was a customary part of the message and was reprinted word for word from information supplied to the Budget Bureau by Mr. Bernard F. Nossel, Chief Deputy Comptroller of Maryland. It is therefore incongruous that the Comptroller, Mr. Louis L. Goldstein, should now be "disagreeing" with that information.

It was stated at my budget briefing with the press that the estimates on which the 2-cent tax increase was projected will be subject to review by the Board of Public Works in May, and that it is possible that there will be an upward revision of the estimates eliminating any need for a tax increase.

^{*}Printed in the explanatory detail following the Governor's message. See Budget Message of Governor Spiro T. Agnew to the General Assembly of Maryland and the Budget in Brief (Annapolis, January 27, 1967), p. 80. — Ed.